

other refugee centers so that you can constantly get news in your own language on the situation in Kosovo and the status of the NATO campaign.

Let me say on a very personal level, Chancellor Schroeder and I understand that what has been done to you and your children and your homeland cannot be undone. But you must know that you have not been forgotten or abandoned. Mr. Milosevic has not succeeded in erasing your identity from the pages of history, and he will not succeed in erasing your presence from the land of your parents and grandparents. You will go home again in safety and in freedom.

Now in closing, I would like to ask of all of you something I asked of the smaller group with whom I just met. When you have gone through something as awful as this, it is very easy to have your spirit broken, to spend the rest of your life obsessed with anger and resentment. But if you do that, you have already given those who oppressed you a victory.

I am of Irish heritage. The great Irish poet, William Butler Yeats once said this—I hope you can remember this. He said, “Too long a sacrifice can make a stone of the heart.”

I ask you all to work with each other, to support each other, not to let your hearts turn to stone, to be determined to go home to a Kosovo where all the children can go to school and all the children can laugh and play, and we can have a future that is not only free of the bad things that have happened to you but is full of hope and opportunity, where you're a part of Europe and a free world, where all the children can pursue their faith, their religion, and their dreams. We are working hard for that day.

God bless you, and thank you very much.

NOTE: The President spoke at 1:40 p.m. at the Refugee Reception Center. In his remarks, he referred to Chancellor Gerhard Schroeder of Germany; Minister-President Kurt Beck of Rheinland-Pfalz, Germany; and President Slobodan Milosevic of the Federal Republic of Yugoslavia (Serbia and Montenegro).

Memorandum on Assistance for Federal Employees Affected by the Tornadoes in Oklahoma and Kansas

May 6, 1999

Memorandum for the Heads of Executive Departments and Agencies

Subject: Assistance for Federal Employees Affected by the Tornadoes in Oklahoma and Kansas

I am deeply concerned about the devastating losses suffered by many as a result of the tornadoes in Oklahoma and Kansas. Multiple parts of the Federal Government have been mobilized to respond to this disaster.

As part of this effort, I ask the heads of executive departments and agencies who have Federal civilian employees in designated disaster areas resulting from the tornadoes in Oklahoma and Kansas and their aftermath to use discretion to excuse from duty, without charge to leave or loss of pay, any such employee who is prevented from reporting for work or faced with a personal emergency because of this disaster and who can be spared from his or her usual responsibilities. This policy also should be applied to any employee who is needed for emergency law enforcement, relief, or clean-up efforts authorized by Federal, State, or other officials having jurisdiction.

I am also directing the Office of Personnel Management (OPM) to establish an emergency leave transfer program, which would permit employees in an executive agency to donate their unused annual leave for transfer to employees of the same or other agencies who were adversely affected by the tornadoes and who need additional time off for recovery. In addition, I am directing OPM to provide additional information and assistance to agencies on the program's administration.

William J. Clinton

Message to the Congress Reporting on the State of Small Business

May 6, 1999

To the Congress of the United States:

I am pleased to present my fifth annual report on the state of small business. In 1996, the year covered by this report, more than 23.2 million small business tax returns were filed. A record 842,000 new small employers opened their doors and new incorporations hit a record high for the third straight year. Corporate profits, employment compensation, and proprietorship earnings all increased significantly. Industries dominated by small firms created an estimated 64 percent of the 2.5 million new jobs.

Small businesses represent the individual economic efforts of our Nation's citizens. They are the foundation of the Nation's economic growth: virtually all of the new jobs, 53 percent of employment, 51 percent of private sector output, and a disproportionate share of innovations come from small firms. Small businesses are avenues of opportunity for women and minorities, first employers and trainers of the young, important employers of elderly workers, and those formerly on public assistance. The freedom of America's small businesses to experiment, create, and expand makes them powerhouses in our economic system.

An Unprecedented Record of Success

Looking back to the 1986 White House Conference on Small Business, one of the top priorities on the small business agenda was deficit reduction. Small business capital formation efforts had been undermined by interest rates driven sky-high by the demand for funds to service the growing national debt. Today I'm proud to say we've done what was thought nearly impossible then. This year we have converted the deficit to a surplus—and the budget deficit is no longer the issue it once was.

And my Administration is committed to continuing the dramatic growth of the small business sector. We continue to pay close attention to the perspectives and recommendations of America's small business owners. The 1995 White House Conference on Small Business sent a list of 60 recommendations

to my Administration and the Congress—the result of a year-long series of conferences and a national meeting on the concerns of small firms. In their 1995 recommendations, the small business delegates told us they need less onerous regulation, estate tax relief for family-owned businesses, and still more access to capital to start and expand their businesses.

On each of these fronts, and on many others, impressive steps have been taken. I have signed 11 new laws that address many of the delegates' concerns. In fact, meaningful action has been taken on fully 86 percent of the 1995 White House Conference on Small Business recommendations.

Easing the Tax Burden

The Taxpayer Relief Act, which I signed in 1997, includes wins for small businesses and the American economy in the form of landmark tax reform legislation. The law will provide an estimated \$20 billion in tax relief to small business over the next 10 years. It extends for three years the exclusion from taxable income of money spent by an employer on education for an employee. The unified gift and estate tax credit will increase the amount excluded from taxation on a transferred estate to \$1.3 million for small family-owned businesses.

The new law expands the definition of a home office for the purpose of deducting expenses to include any home office that is the business' sole office and used regularly for essential administrative or management activities.

And capital gains taxes are reduced from 28 percent to 20 percent. This will help small businesses by encouraging investments in businesses that reinvest for growth rather than investments in companies that pay heavy dividends. The law also improves the targeted capital gains provisions relating specifically to small business stocks. Moreover, small corporations are exempted under the new law from alternative minimum tax calculations. This provision saves about 2 million businesses from complex and unnecessary paperwork.